

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

0 2 - 0 0 3

2. STATE:

ALABAMA.

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

Title XIX of the Social Security Act

4. PROPOSED EFFECTIVE DATE

June 1, 2002

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☒ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☐ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 C.F.R. 430 Subpart B

7. FEDERAL BUDGET IMPACT:

a. FFY 2002 \$ 00.00

b. FFY 2003 \$ 00.00

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 3.1-D, page 2
Attachment 4.19-B, page 8

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):

Same

10. SUBJECT OF AMENDMENT: This amendment will allow Medicaid to reimburse providers at emergency ground transportation reimbursement rates after prior authorization for payment is obtained.

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED:

Governor's designee on file via letter with CMS

12. SIGNATURE OF STATE AGENCY OFFICIAL:

Mike Lewis

13. TYPED NAME:

Mike Lewis

14. TITLE:

Commissioner

15. DATE SUBMITTED:

March 18, 2002

16. RETURN TO:

Mike Lewis
Commissioner
Alabama Medicaid Agency
501 Dexter Avenue
Post Office Box 5624
Montgomery, Alabama 36103-5624

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

March 22, 2002

18. DATE APPROVED:

April 27, 2002

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

June 1, 2002

21. TYPED NAME:

Eugene A. Granger

20. SIGNATURE OF REGIONAL OFFICIAL:

[Signature]
Associate Regional Administrator
Division of Medicaid and State Operations

23. REMARKS:

III. Emergency Transportation Services - Ambulance:

All emergency ambulance transportation must be medically necessary and reasonable. No payment may be made for emergency ambulance services if some other means of transportation could be utilized without endangering the recipient's health.

- A. Emergency ambulance services are provided to eligible recipients between:
 - (1) Scene or address of emergency and hospital.
 - (2) Nursing home and hospital.
 - (3) Local hospital and specialized hospitalExample: From Montgomery to University of Alabama Hospital in Birmingham.
- B. Certification that medical conditions warrant the use of ambulance services are required by the attending physician.

IV. Air Transportation Services:

- A. Air Transportation services are covered for adults and children.
- B. Air transportation may be rendered only when basic and advanced life support land ambulance services are not appropriate.
- C. All air transportation services must be approved by Alabama Medicaid prior to payment.

Provider Reimbursement Manual). Rates will be renegotiated upon mutual agreement between the agencies and will not exceed the allowable costs according to the principles for cost determination cited above.

Effective Date: 01/01/92

- e. Covered Family Planning drugs prescribed (oral contraceptives and supplies) are paid pursuant to the method described in section 4 of this attachment.

Effective Date: 01/01/92

- f. Covered Drugs prescribed for treatment of conditions identified and referred from an EPSDT examination are paid pursuant to the method described in section 4 of this attachment.

11. Ambulance Services

Effective Date: 06/01/02

Payment for ground or air (for children under the age of 21 years old) ambulance services shall be based on the lesser of the submitted charge or Alabama Medicaid's statewide ambulance service rates. Air transportation for adults 21 years of age and older will be reimbursed at the emergency ground rate. Publicly owned hospitals' ambulance services may receive an enhanced payment. This payment shall not exceed payments for providing comparable services under comparable circumstances under Medicare or the prevailing charges in the locality for comparable services under comparable circumstances. The amount to be paid to out-of-state providers shall be their usual and customary fees not to exceed the maximum allowable charges or benefits established by Medicaid.

12. Nurse-midwives

Payment to nurse-midwives shall be based on payments made to physicians for similar services. Payment to midwives shall fall somewhere between 50% and 85% of the amount paid to physicians.

13. Clinic Services Provided by Mental Health Service Providers

Effective Date: 01/01/84

Reimbursement will be at a negotiated rate, but not to exceed the costs which must be incurred by an efficient and economic provider of Mental Health Services.

14. Outpatient Hospital Services

Effective Date: 04/1/02

Payment for all outpatient hospital services will be from approved rates, by procedure code, as established by Medicaid. Publicly owned hospitals and hospitals which predominately treat children under the age of 18 years may be paid an enhanced payment not to exceed the total payments received by all providers from beneficiaries and carriers or intermediaries for providing comparable services under comparable circumstances under Medicare upper limits. Privately owned acute care hospitals may be paid an enhanced payment not to exceed the total payments received by all providers from beneficiaries and carriers or intermediaries for providing comparable services under comparable circumstances under Medicare upper limits that meet the following criteria:

- (1) the hospital must be located in a county with a population greater than 200,000 (according to the latest U.S. census), and
- (2) the hospital must be located in a county that does not have a publicly owned hospital, and
- (3) the hospital must participate in the county's largest city's outpatient/emergency room assistance program.